

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 671 - HB 1080

April 23, 2021

**SUMMARY OF ORIGINAL BILL:** Changes the Board of Medical Examiners' Committee on Physician Assistants to the Board of Physician Assistants (Board) to regulate the practice of physician assistants. Makes various changes to law regulating physician assistants. Effective January 1, 2022.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$2,500/FY21-22/Board of Physician Assistants  
\$4,200/FY22-23 and Subsequent Years/  
Board of Physician Assistants

Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Committee on Physician Assistants had a deficit of \$17,959 in FY18-19, a deficit of \$406,997 in FY19-20, and a cumulative reserve balance of \$276,500 on June 30, 2020.

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (007013, 007602):** Amendment 007013 deletes and rewrites all language after the enacting clause such that the only substantive changes are: (1) to change the termination date of the Board to June 30, 2024 as opposed to June 30, 2025; (2) to require the Secretary of State to transfer the rules of the Board of Medical Examiners' Committee on Physician Assistants to the Board of Physician Assistants on the date this act becomes law; (3) to authorize the Board to split the into panels of three or more when it is deemed necessary to conduct contested case hearings or disciplinary matters; (4) to require any fiscal balance or deficit that the Board of Medical Examiners' Committee on Physician Assistants has at the time this act becomes law to be transferred to the Board of Physician's Assistant's budget; and (5) to change the effective date from January 1, 2022 to upon becoming a law.

Amendment 007602 adds language to the bill as amended by amendment 007013 to further enforce the Board's termination date of June 30, 2024.

## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

### **Increase State Expenditures - \$4,200/FY21-22 and Subsequent Years/ Board of Physician Assistants**

**Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Committee on Physician Assistants had a deficit of \$17,959 in FY18-19, a deficit of \$406,997 in FY19-20, and a cumulative reserve balance of \$276,500 on June 30, 2020.**

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 63-19-103, there is an established Committee on Physician Assistants operating under Board of Medical Examiners consisting of five members.
- The proposed legislation will establish the Committee as its own Board to be cited as the Board of Physician Assistants.
- The Board will add four additional members for a total of nine members.
- Currently, the Committee meets an average of five times per year. It is estimated the Board will meet correspondingly.
- Each of the four new Board members are entitled to per diem of \$100 and mileage reimbursement of \$110 (\$0.47 per mile at an average of 234 miles), for a total of \$210 per meeting.
- The total recurring increase in state expenditures is estimated to be \$4,200 [(\$210 reimbursement x 4 additional members) x 5 meetings] in FY21-22 and subsequent years.
- It is reasonably assumed the Board will set fees relative to the examination, licensure and licensure renewal of physician assistants in an amount similar to current fees set out by the Committee; therefore, no change in license fee revenue.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Committee on Physician Assistants had a deficit of \$17,959 in FY18-19, a deficit of \$406,997 in FY19-20, and a cumulative reserve balance of \$276,500 on June 30, 2020.

## **IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumption for the bill as amended:

- No significant impact on jobs or commerce in this state.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/lm